GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:653
ANSWERED ON:05.03.2002
WORLD BANK ASSISTANCE FOR IMPLEMENTATION OF PMGSY PROJECTS .
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Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government propose to invite international organizations and voluntary organizations for construction and maintenance of roads under PMGSY;

(b) if so, the details thereof;

(c) whether the Pradhan Mantri Gram Sadak Yojana (PMGSY) is facing financial crisis;

(d) if so, whether the Government propose to seek financial assistance from the International organizations;

(e) whether a workshop was conducted in January, 2002 for speedy implementation of PMGSY projects;

(f) if so, the issues discussed at the workshop;

(g) whether the World Bank officials also participated in this workshop;

(h) if so, the response of the World Bank with regard to providing financial assistance; and

(i) the other options being considered by the Government for speedy implementation of PMGSY projects?

Answer

MINISTER OF RURAL DEVELOPMENT(SHRI M. VENKAIAH NAIDU)

(a) &(b) No, Sir.

(c) to
(i) A requirement of Rs.60,000 crore has been estimated for achieving the objectives of the Pradhan Mantri Gram Sadak Yojana (PMGSY). The available source of funds for the present is the 50% share of the Cess on High Speed Diesel (HSD) amounting tc approximately Rs.2500 crore per annum, which revenue stream is clearly inadequate to finance a Programme of this magnitude in a definite time-frame (2000-2007). For achieving this objective, it would be imperative to generate additional financial resources, which could involve borrowings from, inter alia, the External Funding Agencies, such as the World Bank and the Asian Development Bank. The Ministryhave approached the Department of Economic Affairs to take further action in respect of raising of additional resources for PMGSY by External Funding Agencies, including the World Bank and the Asian Development Bank. The Department of Economic Affairs have sought the response of the World Bank on the possibility of financial ! assistance for PMGSY.

The Ministry had organized a National Workshop on Rural Roads from 16th to 18th January, 2002 in collaboration with the World Bank. The issues discussed in the Workshop related, inter alia, to Data collection and Management, Planning process leading to the establishment of Core Network, Design, Procurement practices, Monitoring and Supervision and Maintenance of Rural Roads.